Beyond Cultural Context in Global Sport Events: The Effects on Brand Equities

Hyun-Woo Lee, Florida State University
Kwang Min Cho, Yonsei University
Yu Kyounm Kim (Advisor), Florida State University

Abstract 2011-109
Marketing
Friday, June 3, 2011
11:10 AM
20-minute oral presentation
(Room 236)

Now, more than ever, sport consumers are experiencing unprecedented levels of exposure to global sporting events. This, in part, is due to the rapid growth and globalization of the sport industry that has transpired over the last decade. For instance, the 2006 FIFA World Cup was broadcasted to 214 countries to 26 billion viewers, and come 2009, FIFA’s revenue from TV broadcasting rights reached 650 million dollars (Fédération Internationale de Football Association [FIFA], 2010). Overall, the widespread universal appeal of global sport events has enabled them to emerge as "killer content" in cultures throughout the world (Giulianotti & Robertson, 2007). Accordingly, researchers have been increasingly interested in the impacts of these mega-sport events (Solberg & Preuss, 2007; Stolar, 1993). Yet, despite the current contributions found in the extant marketing literature, several areas remain underdeveloped.

In spite of the numerous cultural studies, which have been extended throughout the realm of international marketing research (e.g. Hofstede, 1983; Hall, 1976), little is known about the role of culture in the area of global sport management. When studying the cultural construct to sport, it is necessary to derive a subconscious construct of culture referring to the intangible and experiential characteristics of sport. Particularly, Hall (1976) proposed the concept of high versus low cultural context as a way of understanding different cultural orientations. In a low cultural context people are highly individualized, fragmented, and maintain little involvement with others. Conversely, in a high cultural context, people are deeply involved with each other, and information is widely shared through simple messages with deep meanings. Furthermore, Kim, Pan and Park (1998) indicated cultural context helps people to understand the differences among cultures more easily. Thus, the cultural differences in global sport events are likely to be influenced by the nature and variety of participants. In other words, brand equities are likely to be distinguished based on the potentially significant and influential attribute of culture context.

To this end, Lee, Bass and Kim (2010) developed a conceptual framework of cultural context’s effects on global sport events brand equity based on Ross, Russell, and Bang’s (2008) spectator-based brand equity (SBBE). More specifically, they employed SBBE as a construct pertaining to how fans perceive their national teams participating in a global event, and explained how SBBE will affect the consumer-based brand equity (CBBE) of a global sport event by considering the entire event as a consuming brand or product. In doing so, they engaged in a novel approach to considering brand equities based on their relationships among individual country levels toward the whole event. Therefore, with this framework forming the foundation for this paper, the purpose of the present study is to advance the existing sport management literature centered on the cultural components of global sport events by examining the cultural dimension of consumers’ mindsets, and their perceived brand equity toward a global sport event. More specifically, we sought to empirically test the Lee et al. conceptual model in order to provide a more thorough understanding of sport event's brand equity when evaluated in tandem with cultural context. In short, this study examines: (a) the effects of sport consumers’ spectator-based brand equity (SBBE) for their national team on the consumer-based brand equity (CBBE) of the global sport event with involvement serving as a mediator, and (b) the effect of cultural context on SBBE, CBBE, and involvement.

The present study included a sample of 280 participants from various nationalities by a convenience sample. Measures of SBBE from Ross et al. (2008), and CBBE from Pappu et al. (2007) were used to measure the brand equities. Items from Zaichkowsky (1994) were used to measure involvement, and cultural context was measured by its four major aspects of context of language, responsibility, confrontation, and thinking (Hall 1976). The Cronbach’s alpha of constructs ranged from .68 to .95. Through the analysis of SEM, path analysis was conducted to examine the effects among constructs in the model and bootstrapping method was conducted to verify the significance of the involvement construct as a mediator. The overall fit yielded a good fit for the data ($\chi^2 = 151.032, df=59, CFI=.969, TLI=.958, RMSEA=.075$). The direct paths of SBBE on CBBE ($\gamma = .42, S.E. = .10, p<.001$), SBBE on involvement ($\gamma = .95, S.E. = .08, p<.001$), involvement on CBBE ($\gamma = .46, S.E. = .09, p<.001$) were significant. For cultural context, paths to SBBE ($\gamma = .30, S.E. = .12, p<.05$), involvement ($\gamma = .29, S.E. = .09, p<.01$) were significant, and only the path to CBBE was not significant ($\gamma = -.041, S.E. = .07$) at the alpha level of .05. On the mediation effect of involvement, indirect effect (51.17%, $\gamma = .44$) of involvement was comparatively larger than the direct effect (48.83%, $\gamma = .42$). The result of bootstrapping method indicated the indirect effect estimate section, between .316 and .605 ($p < .01$), which supported a partial mediation effect.

Upon review, the research model provides empirical support for the relationship of the national team's SBBE on CBBE of a.
global event, and the examination of cultural context as a significant construct to understand the subconscious of the global consumers. The construct of cultural context also provides implications to better validate the dimensions of the consumers’ psychometric properties. That is, there is a relative lack of understanding about consumers’ cultural dimensions in global sport events in that neither SBBE nor CBBE have had clear guidance in terms of how to address a distinguished brand message. Also, in light of the reported relationships between brand equities in context to consumers’ perceptions, the results provide evidence for implications pertaining to global sport events being a brand that should be managed. Moreover, because cultural context affected each constructs in the model, understanding the subconscious of consumers and developing a strategy through this notion of structural relation should be strongly encouraged among practitioners and managers of the global sport event.

In conclusion, a global perspective marketing approach might be an effective way to more thoroughly understand the consumers of global sport events. Cultural context might especially be applicable to individuals looking to formulate more strategic segmentation, targeting, and positioning by gaining better understandings of culture’s role in international marketing (Yapark, 2008). In the future, the various dimensions of culture should be more deeply examined. Also, additional subconscious constructs of sport consumers affecting the brand equity of a global event should be developed and studied.